USDC SCAN INDEX SHEET











STEPHEN W BONEY INC

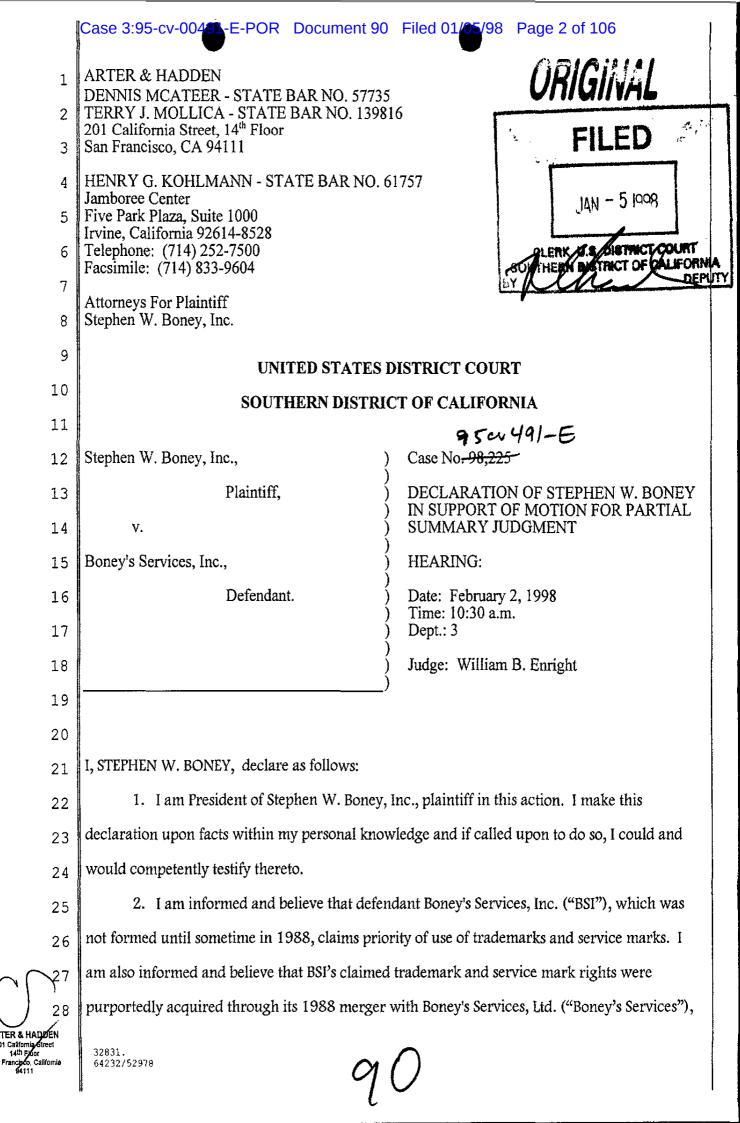
BONEY SERVICES INC

RYC 1/6/98 9:11

3:95-CV-00491

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DECL.



a California partnership. Allegedly, Boney's Services acquired the trademark and service mark rights from Boney & Boney, Inc. ("B&B"), a corporation which I am informed was dissolved in 1988. This declaration is intended to detail the prior use of the trade and service marks by plaintiff and its predecessors.

3. Lone ned my first store under the trade name "Boney's Marketplace" in Pacific

- 3. I opened my first store under the trade name "Boney's Marketplace" in Pacific Beach on November 1, 1985, which I operated through a partnership ("the Pacific Beach store"). On July 26, 1986, I opened a store in Escondido using the same trade name, which I operated as a sole proprietorship ("the Escondido store"). On or about October 17, 1986, the Escondido Store was incorporated as Stephen W. Boney, Inc. ("SWB"). SWB is a California corporation currently in good standing in the state of California.
- 4. SWB opened a "Boney's Marketplace" store in Denver, Colorado in 1989 and shipped in interstate commerce the same goods sold in the Escondido store which bore the Boney's Marketplace trademark. SWB also has engaged in limited interstate mail order sales advertising the Boney's Marketplace goods for shipment in interstate commerce direct to end user customers. Some goods were sold directly to customers through such mail-order sales, in other states.
- 5. SWB's stores were at all times independent of and from BSI and all of its claimed predecessors, including Boney's Services and B&B. At all times herein mentioned, I and my partners had full and complete control of the operations of the Pacific Beach store and made all determinations of what products the store would carry and how such products would be advertised and displayed. At all times herein mention, SWB had full and complete control of the operations of the Escondido and Denver stores and made all determinations of what products the store would carry and how such products would be advertised and displayed.
- 6. SWB has always had sole discretion as to the source from which it purchased products and controlled the quality thereof for its stores. SWB purchased from the supplier who provided the best price and the best quality. SWB purchased vitamins primarily from Vitamere. SWB also purchased vitamins from Randal as a secondary source. These suppliers provided private labels for the vitamins at the request of SWB which utilized the mark "Boney's

Marketplace." I had used these suppliers when I owned and operated a stores which utilized the trade name "Windmill Farms" and continued with them when I opened the Boney's Marketplace stores, as has SWB. I sold the "Windmill Farms" stores to my brothers which later became "Boney's Marketplace" stores.

- 7. SWB used the trademark "Boney's Marketplace" as a trademark on goods it sold since 1986 and was solely responsible for determining to which products it would affix the trademark "Boney's Marketplace" (the "Trademark") and for selecting manufacturers or suppliers for such goods.
- 8. SWB has also used the trademark "Boney's Marketplace" since 1986 on the following goods: eggs, cheese, packaged nuts and dried fruit which it purchases from its suppliers
- 9. Attached to this declaration as Exhibits 1 through 37, are the various labels illustrating the use of the trademark "Boney's Marketplace" on various goods. The marks shown on these labels have been used continuously since 1986 on such goods in substantially the same form as is currently used.
- 10. The goods upon which the trademark "Boney's Marketplace" is used includes specialty breads using recipes which were keep secret from all employees and suppliers except those who needed to handle or use the recipes and then only with the understanding that they were not to be provided to anyone else. The trademark "Boney's Marketplace" mark was used on such breads since 1986. These breads are very popular with customers because they do not contain the flour contained in normal breads which cause allergic reactions in some persons. The use of the trademark "Boney's Marketplace" on these specialty bread items caused customers to associate such items with SWB. Subsequent to SWB's initial use it permitted a Boney's Marketplace store owned or operated by Defendant to make such breads and sell the same under the Boney's Marketplace trademark. SWB maintained quality by training Defendant's bakers in the proper use and application of the trade secret recipes in order to ensure such quality.
 - 11. In his letter of November 8, 1989, my brother Stanley Boney acknowledged that

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these recipes are SWB trade secrets. A true and correct copy of said letter is attached hereto as Exhibit 38 and incorporated herein by this reference.

- 12. In 1989 I disclosed the recipes to Stanley Boney under the condition that they not be disclosed to others and could be used only at Stanley Boney's Hillcrest store in San Diego. Stanley Boney agreed to hold said recipes in confidence and not to disclose them.
- 13. Stanley Boney breached my trust and his own contractual duty by disclosing the recipes to BSI and using them for the benefit of BSI. Boney further breached his duty of confidentiality by, inter alia, disclosing the recipes to third-party bakers of products distributed by BSI to other stores. Despite BSI's knowledge of Stan Boney's duty to maintain the secrecy of the recipes, BSI nonetheless used those recipes for its own benefit. Further, BSI has added flour to at least some of these recipes, in derogation of the quality-control standard placed on the use of the trademark by SWB.
- 14. I also sold other private labeled items using the Boney's Marketplace mark in the Escondido Store. SWB continues this practice. Since 1986 these included Vitamins and bread items for which labels were printed at a local vendor in Escondido. The Escondido store also has the capability of printing and applying its private labels for other goods on such items on an as needed basis and does so regularly.
- 15. In the past at least one law suit was brought in connection with vitamins sold using the Boney's Marketplace trademark. SWB and Showendanco, the original manufacturer of the vitamins, were sued as co-defendants in the above mentioned action. In that action, SWB and Showendanco defended the use and selection of the vitamins sued under the Boney's Marketplace mark. Neither B&B, Boney's Services, or BSI defended or offer to defend SWB in connection with such law suit and to the best of my knowledge did not defend or offer to defend any other store at any time with regard to such trademarked goods.
- 16. Neither B&B, Inc., Boney's Services, Ltd., nor BSI ever inspected any of my stores for quality control.
- 17. Neither B&B, Inc., Boney's Services, Ltd, nor BSI question or attempt to control any purchases made by SWB, sales of product by SWB, local advertising by SWB.

- 18. Neither B&B, Inc., Boney's Services, Ltd, nor BSI ever attempted to approve or disapprove, any action taken by SWB with regard to operations or appearance of the Escondido store.
- 19. Neither B&B, Inc., Boney's Services, Ltd, nor BSI ever set or described standards of products or services.
- 20. Neither B&B, Inc., Boney's Services, Ltd, nor BSI have ever had the right to require that SWB purchase from any specific or designated source.
- 21. Neither B&B, Inc., Boney's Services, Ltd, nor BSI have ever sold SWB any of its supplies or equipment.
- 22. Neither B&B, Inc., Boney's Services, Ltd, nor BSI have ever required that SWB purchase supplies or equipment from them.
- 23. SWB paid no royalties to B&B, Inc., Boney's Services, Ltd, or BSI regarding any alleged license of any trademark or service mark including specifically the term "Boney's Marketplace.". However, since the other Boney's Marketplace stores had ceased advertising in the San Diego Union Tribune, I provided advertising services by advertising "Boney's Marketplace" trademarked goods in the Union Tribune prior to entering into a 1986 Cooperative Advertising Agreement and had been selecting and determining all local advertising for goods sold at the Escondido "Boney's Marketplace" store and continue to do so at the present time.
- 24. On or about May 1, 1997, all of the other independent "Boney's Marketplace" stores including those owned by Defendant, abandoned the trade name "Boney's Marketplace" in favor of SWB and adopted a new name "Henry's." I visited some of these stores after the change of trade name and I could find no goods which bore the trademark "Boney's Marketplace." Instead all products bore the trademark "Henry's." I am informed and believe that "Henry's" sells bread products with a variety of trademarks other than "Henry's" and may use the mark "Boney's Marketplace" only on breads BSI bakes.
- 25. In view of the change of BSI's name to Henry's, I have no objection to the continued use by BSI of the mark "Boney's Marketplace" in their current market area on the

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products they bake, provided the quality associated with SWB is maintained. The public will continue to associate the trademark "Boney's Marketplace" with the several stores of SWB which have continued to use the trade name and the trademark "Boney's Marketplace."

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed this 31 st day of December 1997, at Escondido, California.

Stephen W. Boney,

Declarant

California Stress 1477 Floor

32831,

6.

INDEX OF EXHIBITS

Exhibit No.	<u>Date</u>	Description
1	Undated	Escondido Boney's Cinnamon-Raisin Bread flier
2	Undated	Escondido Boney's Cracked Wheat Bread flier
3	Undated	Escondido Boney's Currant-Pumpernickel flier
4	Undated	Escondido Boney's Eastern Rye (16 oz.) flier
5	Undated	Escondido Boney's Eastern Rye (32 oz.) flier
6	Undated	Escondido Boney's Ed's Bread (24 oz.) flier
7	Undated	Escondido Boney's Ed's Bread (32 oz.) flier
8	Undated	Escondido Boney's Ed's Unsalted & Unsweetened Bread flier
9	Undated	Escondido Boney's 11 Grain Bread flier
10	Undated	Escondido Boney's English Muffin Bread flier
11	Undated	Escondido Boney's Extra Sour Sourdough flier
12	Undated	Escondido Boney's Kamut flier
13	Undated	Escondido Boney's Oat Bran Bread flier
14	Undated	Escondido Boney's Onion Rye (16 oz.) flier
15	Undated	Escondido Boney's Onion Rye (32 oz.) flier
16	Undated	Escondido Boney's Pumpernickel flier
17	Undated	Escondido Boney's Sourdough French (16 oz.) flier
18	Undated	Escondido Boney's Sourdough French (32 oz.) flier
19	Undated	Escondido Boney's Sprouted 7-Grain flier
20	Undated	Escondido Boney's Sprouted Wheat flier
21	Undated	Escondido Boney's Squaw Bread flier
22	Undated	Escondido Boney's Sunflower Bread flier

INDEX OF EXHIBITS cont.

<u>Date</u>	Description
Undated	Escondido Boney's Whole Wheat Eastern Rye (16 oz.) flier
Undated	Escondido Boney's Whole Wheat Eastern Rye (32 oz.) flier
Undated	Escondido Boney's Whole Wheat French Bread (16 oz.) flier
Undated	Escondido Boney's Whole Wheat French Bread (32 oz.) flier
Undated	Escondido Boney's Whole Wheat Onion Rye (16 oz.) flier
Undated	Escondido Boney's Whole Wheat Onion Rye (32 oz.) flier
Undated	Escondido Boney's Lightly Salted Popcorn package
Undated	Escondido Boney's Mountain Spring Water package
7/24/87	Escondido Boney's Oat Bran Flakes package
10/5-10/12/88	Escondido Boney's advertisement
3/1-3/8/89	Escondido Boney's advertisement
4/21-4/27/94	Hemet Boney's advertisement
4/28-5/4/94	Hemet Boney's advertisement
5/16-5/24/95	Escondido Boney's advertisement
12/9-12/17/97	Escondido Boney's advertisement
11/8/89	Letter to Steve Boney from Stanley Boney re distribution of bread,
	use of trademark name and cooperative advertising plan
	Undated Undated Undated Undated Undated Undated Undated Undated Undated 4/24/87 10/5-10/12/88 3/1-3/8/89 4/21-4/27/94 4/28-5/4/94 5/16-5/24/95 12/9-12/17/97



Made from Freshly Stone-Ground 100% Whole Wheat Flour, Water, Raisins, Honey, Fresh eggs, Canola Oil, Salt, Yeast and Cinnamon.

Baked By: Boney's Markelplace 510 W. 13th Ave. Escondido, CA 92025



NET WT. 24 oz. (11/2 lb.)



Made from water, unbleach white flour, crack wheat, stone ground whole wheat flour, fruit sweetener, yeast, salt. NO OIL OR PRESERVATIVES USED



Percentage Of U.S. Recommended
Dietary Allowance CRACKED WHEAT BREAD
A NUTRITIONAL SERVING IS 1 SLICE.
CALORIES
PROTEIN 86
PAT 86
PAT 86
CARBOHYDRATE 186
SODIUM 186
CHOLESTEROL 0
DIETARY FIBER 16

 Loss than 2% of U.S. Recommended Dietary Allowance THIAMINB RIBOFLAVIN NIACIN RON CALCTUM

NET WT. 24 OZ. (1 1/2 LB.)



CURRANT-

sprouts of wheat and rye, water, molasses, honey, salt Ingredients: 100% flourless bread made from ground yeast, ground caraway seeds and currants. NO OIL OR PRESERVATIVES USED.



FRESH DAILY FROM OUR OWN OVENS NET WT. 24 oz. (1 1/2 lb.)



Made from High Protein Unbleached Flour, Water, Light Rye Flour, Yeast, Malt, Salt & Caraway Seeds.

SPECIAL OF THE COMPONENCE OF T

FRESH DAILY FROM OUR OWN OVENS NET WT. 16 OZ. (1 LB.)



Made from High Protein Unbleached

Wheat Flour, Water, Light Rye Flour, Yeast, Malt, Salt & Caraway Seeds.

NO OIL OR PRESERVATIVES USED



FRESH DAILY FROM OUR OWN OVENS NET WT. 32 OZ. (2 LB.)





An old-fashioned crunchy textured bread made from ground wheat sprouts, freshly stone-ground 100% whole wheat flour, water, honey, salt & yeast NO OIL OR PRESERVATIVES USED



Percentage Of U.S. Recommended Dietary Allowance

A NUTRITIONAL SERVING IS I SLICE.

CALORIES PROTEIN

PROTEIN.
THIAMINE
RIBOFLAVIN
NIACIN
RON
CALCIUM

 Less than 2% of U.S. Recommonded Dietary Allow | AG | AG | CARBOHYDRATE | 0.6G | 2.6G | 2.6G | 2.89MG | 0.0G | 0

Carbohydrate Information DIETARY FIBER COMPLEX CARBOHYDRATES SIMPLE SUGAR

NET WT. 24 OZ. (1 1/2 LB.)



EU'S BREAD

An old-fashioned crunchy textured bread made from ground wheat sprouts, freshly stone-ground 100% whole wheat flour, water, honey, salt & yeast NO OIL OR PRESERVATIVES USED



FRESH DAILY FROM OUR OWN OVENS

eq	78.	64.5	2 % 8 %	•
	THIAMINE	RIBOFLAVIN	RON	-Less than 2% of U.S. Recommended Dietary Allowance
A NUTRITIONAL SERVING IS 1 SLICE.	PROTEIN 120	CARBOHYDRATE	SODIUM 289MG	DIETARY FIBER 5G -Less than

Carbohydrate Information
DIETARY HBER
COMPLEX CARBOHYDRATES
SIMPLE SUGAR
NET WT. 32 OZ. (2 LB.)

ED'S

Unsalted & Unsweetened BREAD

An old-fashioned crunchy textured bread made from ground wheat sprouts, freshly stone-ground 100%

whole wheat flour, water and yeast.
NO OIL OR PRESERVATIVES USED. REFRIGERATE



FRESH DAILY FROM OUR OWN OVENS NET WT. 24 OZ (1 1/2 LB.)



· Low in Fall

- . Cholesterol Free!
- No Preservatives or Additives

Nutritional Information

(per slice)

Ingredients

Whole wheat flour, sprout wheat berries, cracker Carbohydrates 21 gbran, wheat germ, flaxseed, sunflower seeds, 5 g com, water, honey, salt and yeast.

1 g (Please rehigerate to preserve freshness) Calories 106 wheat, oats, rye, barley, triticale, millet, rice

Sodium153 mg Potassium81 mg Cholesterol0 mg

Escondido, CA 92025 NET WT. 24 oz. (1 1/2 lb.) 13th Ave. 510 W.

EXHIBIT 9



Made from high glutin flour, honey, vinegar, yeast, and salt NO OIL OR PRESERVATIVES USED



Boxoy's Marketplace 510 W. 13th Ave. Escendide, CA 92025

Percentage Of U.S. Recommended
Dietary Allowance

PROTEIN JANONING
THIAMINE
RIBOFLAVIN
NIACIN
IRON
CALCIUM ·Less then 2% of U.S. Recommended Dietary Allows

Carbohydrate Information
DIETARY FIBER
COMPLEX CARBOHYDRATES
SIMPLE SUGAR
11.6G NET WT. 16 OZ. (1 LB.) ENGLISH MUFFIN BREAD
A NUTRITIONAL SERVING IS 1 SLICE.
CALORIES
PROTEIN
12gm
CARBOHYDRATE
SODIUM.
15.5gm
93MG
CHOLESTEROL
OBIETARY FIBER.
6gm



Nutrition Facts

\$ É Š 춫 % of Dally Value Serving Size 2 oz (56.7 G) Servings Per Container 8 Calories 144 Calories From Fat Total Carbohydrates 27g Saturated Fat 2g Dietary Fiber 1g Amount Per Serving Cholesterol Omg Sodium 184mg Total Fat 1.1g Sugars 0

£

*Percent daily values are based on 2,000 calorie diet. Your daily values may be higher or lower depending on your caloric needs. " less than 2%

(Please refrigerate to preserve freshness)

Sour Sourdough Extra

Ingredients:

and digiycerides, sodium stearoyl lactylate, calcium carbonate, calcium sulphate, citric acid, enzyme High Gluten flour, natural sour flavor, natural fermented lactic acid, vinegar, corn flour, sodium, silico aluminate (a processing aid), wheat flour, vital wheat gluten, sait, water, malted barley flour, dough conditioner (diacetyl tartaric acid, estors of mono for improved bake, ascorbic acid, L Cysteine, potassium bromate, azodicabonamidy, yeast

38

Vitamin C

Vitamin A "

Protein 6g

Iron

Ŕ

Calcium

Net Weight: 24 oz (1 lb 8 oz) 672g

Baked by: Boney's Marketplace, 510 W. 13th Ave., Esconidido, CA 92025

EXHIBIT 11



A 100% flourless bread made from ground kamut sprouts, wheat gluten, fruit sweener, malt, yeast, salt. NO OIL OR PRESERVATIVES USED



13% 10% 13% 13% 13% Percentage Of U.S. Recommended Dietary Allowance

* Less than 2% of U.S. Recommended Dietary Allowance PROTEIN
THIAMINE
RIBOFLAVIN
NAICIN
RON
CALCIUM
 SPROUTED KAMUT BREAD

 A NUTRITIONAL SERVING IS 1 SLICE.

 CALORIES.
 115

 PROTEIN.
 6G

 FAT.
 0.8G

 CARBOHYDRATE.
 22G

 SODIUM.
 146MG

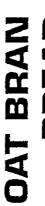
 CHOLESTEROL.
 3G

 DIBTARY FIBER.
 3G
 66 0.8G 22G 146MG 0 3G

Carbohydrate Information
DIETARY FIBER
COMPLEX CARBOHYDRATES
SIMPLE SUGAR, GRUIT, SWIEDNERS....

NET WT. 24 OZ. (1 1/2 LB.)

EXHIBIT 12





INGREDIENTS: 100%. Whole Wheat Flour, Water, Oat Bran, Wheat Bran, Hi-Gluten Flour, Honey, Molasses, Rolled Oats, Yeast, Salt. NO OIL OR PRESERVATIVES USED

Rowey's Marketplace 510 W. 13th Ave. Escondulo, CA 92025

Baked By



 OAT BRAN BREAD
 Percentage Of U.S. Recommended

 A NUTRITIONAL SERVING IS 1 SLICE
 Dietary Allowance

 CALORIES
 107

 PROTEIN
 107

 FAT
 66

 CARBOHYDRATE
 206

 NIACIN
 79

 SODIUM
 70MG

 DIETARY FIBER
 36

Carbohydrate Information 3G COMPLIX CARBOHYDRATES 13G SIMPLE SUGAR 4G NT. 24 OZ. (11/2 LB.)



Made from Unbleached Flour, Water, Light Rye Flour, Onions, Yeast, Malt, Salt & Caraway Seeds. NO OIL OR PRESERVATIVES USED

NO OIL OH PHESEHVATIVES USED Stoom From

NET WT. 16 oz. (1 lb.)



Made from Unbleached Flour, Water, Light Rye Flour, Onions, Yeast, Malt, Salt & Caraway Seeds. NO OIL OR PRESERVATIVES USED



FRESH DAILY FROM OUR OWN OVENS NET WT. 32 OZ. (2 LB.)

PUMPERNICKEL

A 100% flourless bread made from ground sprouts of wheat and rye with water, mollasses, honey, salt,

caraway seed and yeast. NO OIL OR PRESERVATIVES USED.



FRESH DAILY FROM OUR OWN OVENS NET WT. 24 OZ. (1 1/2 LB.)



Unbleached White Flour, Water, Natural Sourdough Starter, Yeast, and Salt.

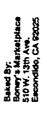


NET WT. 1 LB (16 oz.)



SOURDOUGH FRENCH

Unbleached White Flour, Water, Natural Sourdough Starter, Yeast, and Salt.





FRESH DAILY FROM OUR OWN OVENS NET WT. 32 OZ. (2 LB.)



sprouts of wheat, rye, corn, barley, milet, oats and rice with A 100% flourless bread made from ground

honey, water, salt and yeast NO OIL OR PRESERVATIVES USED

Boncy's Markstplace 510 W. 13th Ave. Recondido, CA 92025



Percentage Of U.S. Recommended

SPROUTED 7-GRAIN BREAD
A NUTRITIONAL SERVING IS I SLICE.
CALORIES
PROTEIN 119
4G

THIAMINE
RIBOITAVIN
AMICIN
THOM
THOM
TO THE STATE STAT PROTEIN

ద్దిద్దర Carbohydrate Information
DIBTARY HBER
COMPLEX CARBOHYDRATES
SIMPLE SUGAR FAT 4G
CARBOHYDRATE 26G
SODIUM 137MG
DIBTARY FIBER 5

NFT WT 24 07 (11/4 Ih.)

EXHIBIT 19





A 100% flourless bread made from ground sprouts of wheat with honey, water, salt and yeast NO OIL OR PRESERVATIVES USED



Bonry's Markopilson 510 W. 13th Ave. Escondido, CA 92025

88458 8888 8888 8888 Percentage Of U.S. Recommended Dietary Allowance

PROTEIN THAMINE
THIAMINE
RIBOFLAVIN
NIACIN
RON
CALCIUM
 SPROUTED WHEAT BREAD

 A NUTRITIONAL SERVING IS 1 SLICE

 CALORIES
 119

 PROTEIN
 16

 FAT
 0.6G

 CARBOHYDRATE
 26G

 SODIUM
 275MG

 CHOLESTEROL
 0

 DIETARY FIBER
 5G

*Loss than 2% of U.S. Recommended Distary Allowance Carbohydrate Information

NET WT. 24 OZ. (1 1/2 LB.) DIETARY FIBER COMPLEX CARBOHYDRATES SIMPLE SUGAR

EXHIBIT 20



510 W. 13TH AVE.. ESCONDIDO, CA 92025

Squaw Bread

Made from high glutin flour, bran flour, whole wheat flour, rye flour, water, molasses, salt & yeast.

Net Wt. 24 oz. (1 1/2 lb.)



Made from stone ground whole wheat, sprouted wheat, sunflower seeds, honey, yeast, and salt, NO OIL OR PRESERVATIVES USED

Screy's Metaepless 510 W. 13th Ave. Recomble, CA 92025



Percentage Of U.S. Recommended Detary Allowance PROTEIN

THIAMINB RIBOFLAVIN NIACIN RON CALCIUM othe Dietary Allo -Lees than 2% of U.S. Racos SUNFLOWER BREAD
A NUTRITIONAL SERVING IS 1 SLICE.
CALORIES 124
PROTEIN 5gm

Carbohydrate Information
DIBTARY FIBER
COMPLEX CARBOHYDRATES
SIMPLE SUGAR FAT CARBOHYDRATB SODIUM CHOLESTEROL DIETARY HBER

NET WT. 24 OZ. (1 1/2 LB.)



Made from High Protein Unbleached to Wheat Flour, Water, Light Rye Flour, Yeast

Malt, Salt & Caraway grd., Corn Meal. NO OIL OR PRESERVATIVES USED



NET WT. 16 OZ. (1 LB.)



Made from High Protein Unbleached
Whole Wheat Flour, Water, Light Rye Flour, Yeast,
Malt, Salt and Caraway Seeds.
NO OIL OR PRESERVATIVES USED

Boney's Marketplace Stow, 13th Ave. Escondido, CA 92225

FRESH DAILY FROM OUR OWN OVENS NET WT. 32 OZ. (2 LB.)



Made from Unbleached Flour, Stone-Ground Whole Wheat Flour, Water, Salt and Yeast. NO SWEETNERS, OILS, FATS OR PRESERVATIVES USED



NET WT. 16 oz. (1 lb.)



Made from Unbleached Flour, Stone-Ground Whole Wheat Flour, Water, Salt and Yeast.
NO SWEETNERS, OILS, FATS OR PRESERVATIVES USED

FRESH DAILY FROM OUR OWN OVENS

NET WT. 32 OZ. (2 LB.)



WHOLE WHEAT ONION RYE

Made from Whole Wheat Flour, Water, Light Rye Flour, Onions, Yeast, Malt, Salt, Ground Caraway and Poppy Seeds NO OIL OR PRESERVATIVES USED



FRESH DAILY FROM OUR OWN OVENS NET WT. 16 OZ. (1 LB.)

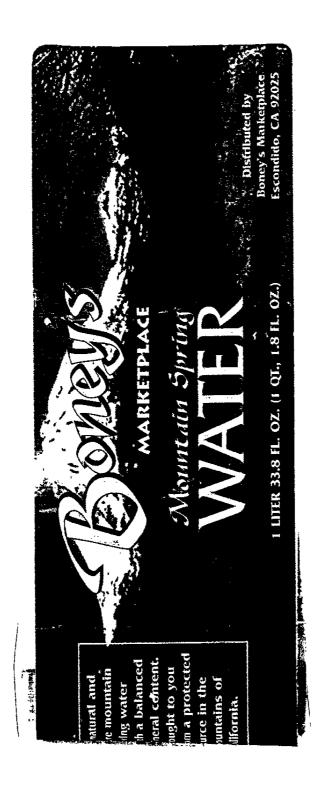


Made from Whole Wheat Flour, Water, Light Rye Flour, Onions, Yeast, Matt, Salt, Ground Caraway and Poppy Seeds NO OIL OR PRESERVATIVES USED

VET WT. 32 OZ. (2 LB.)







Control Crispy Golden Oat Bran Flakes

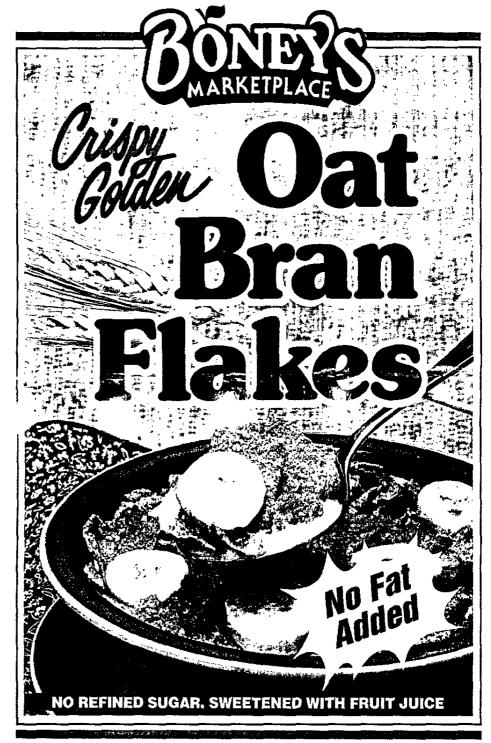


Boney's is celebrating a half century of offering quality products at down to earth prices. Since 1942 Boney's markets in San Diego have focused on offering the best and freshest produce available. In addition to specializing in meeting your produce needs, we enhance your shopping experience by providing a wide variety of bulk products, natural foods, whole grain bakery items, vitamins, and world-wide cheeses.

In particular, our Oat Bran Flakus are an excellent choice of netary fiber, containing 3 grams per serving while keeping the fat content at only 1 gram per 1 oz. serving.



Distributed by: Boney's Marketplace 510 W. 13th Street Escondido, CA 92025



NET WT. 16 OZ. (1 LB.) 454 gm



EXHIBIT 31 PAGE 1



Bran Flakes

Bran Flakes

Nutrition Facts

Serving Size 1 oz. (28 grams) Servings Per Container 16

Amount Per Serv	Ing	
Calories 100	Calories from Fa	t 10
% Daily Value		
Total Fat 1g		2%
Saturated Fat	'Not a significant soul	TO.
Cholesterol	Drng	0%
Sodium 10mg		1%
Total Carbohyo	Irate 22g	8%
Dietary Fiber	3g 1	2%
Sugars 5g		•
Protein 3g		

Vitamin A **	•	Vitamin C **
Calcium **	•	Iron 4%
	-	

*Percent Oady Values are trased on a 2,000 calone diet. Your duily values may be higher or lower depending on your calone needs.

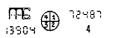
"Contains less than 2% Daily Value of these numents.

an 65g an 20g	60g
20-	
an zvy	25g
an 300mg	300mg
an 2,400mg	2,400mg
300q	375g
25g	30g
	an 2,400mg 300g

Ingredients: Whole Grain Oats, Oat Bran, Mixed Fruit Juice Concentrate (Pineappte, Pear and Peach), Brown Rice, Rye, Corn, Malted Barley.

This package is sold by weight, not volume. Contents may settle during shipping. Consumer: Please include the date portion on this Oat Bran Flakes box top with all correspondence.





BONEY'S BANANA OAT BRAN CAKE

1-1/2 cups mashed bananas

2/3 cup honey 1 tablespoon oil

6 egg whites teaspoon cinnamon

1/2 teaspoon nutrieg 2 tablespoons butterfulk

1-1/2 teaspoons vanilla 1-1/4 cup whole wheat flour 1 cup all purpose flour 1 tablespoon baking soda 1 tablespoon baking soda 1 teaspoon baking powder

sprinkle of cinnamon 1/2 cup crushed Boney's Oat Bran Flakes

DIRECTIONS: Whisk first 10 ingredients in a large mixing bowl. Mix together flour, soda, and baking powder and add, all at once, whisking just until blended. Do not overmix. Spread eventy in a 9 x 13 inch non-stick baking pan. Sprinkle clinamon on top, then crushed Oat Bran Flakes. May dot with butter or margarine if desired. The crushed of the properties of the crushed of the crushed oat Bran Flakes. May dot with butter or margarine if desired. Bake in a 350° oven for 25 minutes or just until cake tester or toothpick inserted in center comes out clean. Makes 12 servings. center comes out clean. Makes 12 servings.

BONEY'S COCONUT CRUNCHIES

4 egg whites 1/2 cup honey 1 teaspoon vanilla 1/2 cup chopped walnuts

1/2 cup crushed date pieces or chunks 2 cups shredded coconut 1/2 cup chopped walnuts

DIRECTIONS: Beat egg whites with electric mixer on high speed until foamy.

Gradually beat in honey and vanilla and continue beating until whites are thick and shirty. Fold in nuts, dates, cocond, and cereal by hand. Form into teaspoon size cookies, press together well (mix will be crumbly), and place on non-stick or minutes of until golden.

Makes 36 to 40 cookies.

BONEY'S DATE-OAT BRAN COOKIES 2 tablespoons honey

1 cup Boney's Oat Bran Flakes 1/2 cup dates

1/2 cup whole wheat flour 1/2 cup raisins (may use only dates if desired) 1/2 teaspoon baking powder 2 egg whites, unbeaten

DIRECTIONS: Chop Oat Bran Flakes in a blender or food processor. Blend in dates and 2 egg whites until dates are well mashed. Place date mixture in a large mixing bowl and set aside.

Beat 4 egg whites in an electric mixer until foamy. Gradually beat in honey and vanilla and continue beating until whites are thick and shiny. Mix together commanon, flour, and baking powder. Reduce speed and lightly fold dry ingredients into whites. Stir 1/2 of the egg white mixture into the date mixture, then carefully fold in the remaining egg white mixture.

Then his expensive onto two consetted could shorte and habe in a 350° ones for

Drop by spoonfuls onto two non-stick cookie sheets and bake in a 350° oven for approximately 20 minutes or until light brown. Makes 30 to 36 cookies.

OPEN OTHER END

I teaspoon vanilla

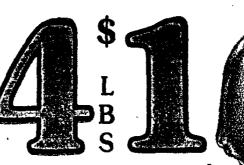
1 teaspoon cinnamon



Fall Hallest OF SPECIALS!

RED DELICIOUS

APPLES





New crop from the San Joaquin Valley





Raw or Roasted & Salted CACUEW DIECES



New Crop

MEDJOOL DATES

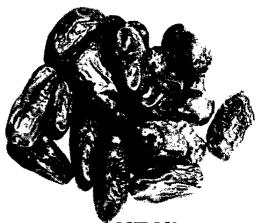
9 69 LB

Just arrived from the Coachella Valley!

MONTEREY JACK OR
COLBY CHEESE

4
169
LB

510 WEST 13TH AVE. ESCONDIDO 745-2141



COUPON

BONEY'S

LARGE 49 ¢ EGGS DZ

With purchase of \$10.00 or more.

1 coupon per customer, 1 dozen eggs per coupon.

EXHIBIT 32

PAGE 1

HAIN SAFFLOWER

1 QT

All natural 100% pure expeller pressed. Contains no cholesterol or preservatives.

MILLER

HONEY

3 LB CAN

100% pure and natural, raw unfiltered and uncooked.

Lapidus **POPCORN**

Spike SEASONING

A special blend of 39 flavorful herbs, spices Cold pressed, all natural, no & vegetables. Contains no chemicals.

Boney's **PASTA SAUCE**

32 OZ

Boney's own private recipe. All natural, no preservatives.

Boney's or Heinke's 🐒 69 **APPLE JUICE**

Boney's own private recipe. All natural, CHERRY no preservatives.

Hain-Mini

Ready to Eat! Choose from cheese or Assorted flavors, great for school natural herb flavor. All natural.

\$ 🖪 19 Boney's ož MAYONNAISE

preservatives.

Health Valley

Your Choice

MBOS – OAT BRAN

Gal Knudsen

YERBA PRIMA

PSYLLIUM HUSKS

Extra Absorbent to Keep Your Colon Clean

12 oz.

Living Source \$ 90 Tabs

100% Food Grown Multiple Vitamin & Mineral - Highest Absorbence.

Boney's TRYPTOPHAN

500 mg. This will give you a good night's rest.

Twin Labs Caps

Solaray

3 types of friendly acidophilus for better digestion.

SUPER MOIST **PRUNES**

ΙR

Just 10 prunes contain 1669 IU vitamin A, B vitamins and C, calcium; 626 mg potassium and more.

Date **PIECES** LB:

01.1 .11.4

Great for baking or snacking.

Chocolate APPEALS

Tasty chocolate drops - a special treat.

Khadrawi

Wisconsin Mammoth

Aged 2 years in 500 lb mammoth wheels. See it on display! LB

Wisconsin

BABY SWISS

Creamy white, sweet nutty flavor.

0000001304

PAGE 2

BINS

BULK GRANOLA

\$ 1 09

LB

Delicious assorted varieties. The all natural cereal or snack food.

Fresh
PEANUT BUTTER

Ground fresh daily! Just peanuts and nothing more!

Róasted or Raw \$ 199
TRAIL MIX LB

A perfect snack for lunch boxes or around the i

169 LB

CASE

JACK CHEESE

Mild and creamy.
Great for casseroles!

\$ **1** 69

The Freshest

60% \$ 3 99

LELE

PRODUCE

BARTLETT PEARS \$

S L B S

Control Control

RED GARNET 3 \$ 1

Alta Dena ICE MIIV

\$ 1 59

Low in fat and calories. Assorted flavors.

MILK

YOGURT

Dairy Mart 79

C Alta Dena ¹ Gal. European

49¢



Featuring ... Fine Beef, Pork, Poultry, Seafood and Specialty Items. Fresh to You Everyday!

Foster Farms Whole Body

RYERS LB

No hormones or preservatives.

Foster Farms

CORNISH

Stuff with and apples! rice Oh, so good!

Foster Farms

Perfect for an old-fashioned chicken dinner!

Ground

Foster Farms

Foster Farms

Foster Farms

Eye of Round

ROAST

Great on the grill!

LB

Farmstead

Good for roast or chops.

Meaty

Just what you need for your favorite pot of beans!

Fresh

Slab BACON

Nitrite Free!

German

Try it on the BBQ or in a

Extra Lean STEWING BEEF

Ready for your favorite stew recipe!

Fresh

RED SNAPPER

Mild, flakey, flavorful fish.

ORANGE ROUGHY

Light, delicate fish.

Fresh

Great for ovster shooter's!

8 OZ JAR

Swordfish, STEAKS

Great on the grill!

Fresh

Firm fish packed with flavor.

Boney's

PAGE 4



THE FRESH EDITION!

3-1-89 thru 3-8-89

BULK **OAT BRAN**

RED FLAME EDLESS



R.W. KNUDSEN

JUICE

Pure unfiltered apple juice. No additives or preservatives.

CHICKEN **BREAST**

ROASTED & SALTED

ECES

PIECES

ESCONDIDO: 745-2141

BULK BIN BONANZA

BLACK ·

LUNDBERG LONG OR SHORT GRAIN

RICE

FIGS

ECES LB'

POPCORN. 39%

CHOCOLATE

THOMPSON **SEEDLESS**

FRESH BULK - RAW \$

APPEALS

SUPER MOIST

LIGHT HALVES

EUROPEAN FAVORITE

NEW CROP

FRESH GROUND

SAPORE" EXTRA VIRGIN

Hain Pourable

SALAD DRESSINGS R.W. KNUDSEN

Razzleberry, Red Rasp. Nectar, Cranberry Nectar, Cran-Rasp Nectar.

ITALIA CRUSHED With basil.

FERRARO'S

KNUDSEN

HEALTH VALLEY

NATURE'S WHEREHOUSE

PAGE 2

FRESH PRODUC

NAVE

SWEET & JUICY - SEEDLESS

GOLDEN DELICIOUS

APPLES

GRANNY SMITH APPLES

NEW!

SPORTS

NUTRITION

Fat cutter pack or super athletic Pack. 30 day supply. Your choice...

NATURE'S LIFE

with Rose Hips

NATURE'S LIFE

100 caps 1200 mg

Multivitamin/Mineral

BONEY'S

BONEY'S

30 TABS.

BONEY'S

TRYPOTOPHAN

EXHIBIT 33 PAGE 3

POULTRY

CHICKEN BREASTS \$149

COOKED \$ 29
CORNED BEEF \$ 29
BRISKETS...

GROUND 99¢
TURKEY...9

BEEF

GROUND SIRLOIN \$299

TURKEY \$299
BREAST...2

FARM STEAD-BONELESS
PORK \$299
LOIN...

SEAFOOD

LUNCH MEATS 99[©]

Cotto salami, chipped ham, pastrami.

HAM \$149

GREAT FOR STEW

LAMB \$29

SHANKS...2

FRESH CHEESE & DELI

HALIBUT STEAKS \$399

LARGE \$599

CHEDDAR CHEESE \$169

PARMESAN \$299 CHEESE.. 2 LB

2、经营工程的规则的数

FRESH OREGON RED SNAPPER \$29

SWORD \$599 FISH.....

CHEESE \$199

SAN DIEGO SOY DAIRY TOFU. 99¢

ORANGE ROUGHY

BONEY'S SEAFOOD OR \$139 TARTAR SAUCE... 802

SOY MOO SOY MILK \$169

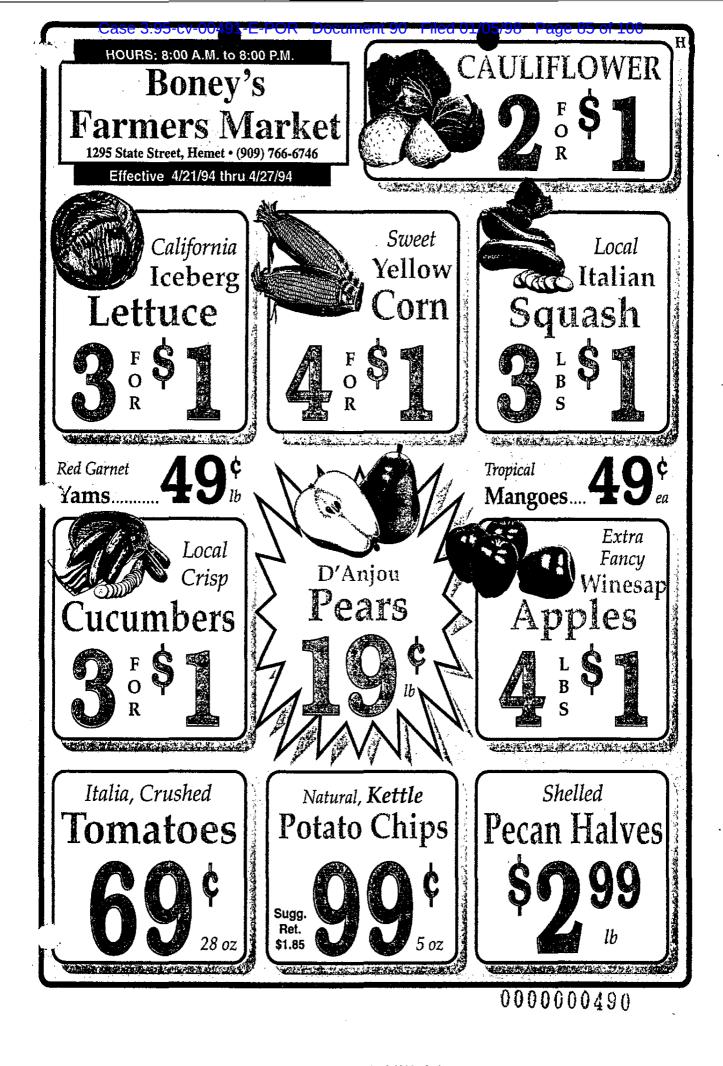
ALTA DENA

NON FAT 19¢ YOGURT... 980Z

Assorted flavors.

0000001294

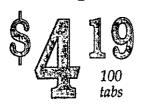
EXHIBIT 33 PAGE 4



Boney's - The Vitamin Super Store!

Boney's

Cal-Mag-Zinc



Boney's

Ginkgo-Biloba



Boney's

Colon Hygiene





Boney's, 200 meg

Nature's Way

EPO.....

Boney's

B-Total-B.....

Boney's

Bio C Cap...50 caps \$2.99 Vitamin C Plus Bioflavanoid

Chromium Picolinate......\$8.99 Twin caps

\$**24.99**180 caps

\$5.49 100 tabs

100 caps \$5.59

Nature's Way





More Great Vitamin Specials!

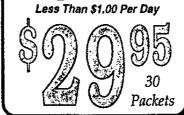
Frazier Farms

Avocado Creme



Super Nutrition

Opti-Pack



Advanced Research Press

Fat Burner



Boney's features over 150 jars of herbs and spices for your best values.

Bulk Potpourri
 Potpou

All Varieties

Emerald Forest Shampoo or Conditioner



Earl Mindell's

Vitamin **Bible**

0000000491

EXHIBIT 34 PAGE 2



Case 3:95-cv-00/91-E-POR Document 90 Filed 01/05/98 Page 88 of 106

Boney's Farmers Market

Foster Farms, Fresh Chicken Thighs

ALTHUR THE CONTROL OF THE SERVICE OF

S S t



Boney's

Date Nut Bread \$ 119

We make two delicious fruit & nut breads

Date Nut Bread and

Apple Walnut Bread

Try Them Toasted with Cream Cheese... You'll Love Them!!

Boney's

Apple Walnut Bread

> \$ 119 16 02

Colby Cheddar Cheese

\$ 199

Fully Cooked
Advance Bread Products
Pork, Veal and
Beef Patties

3 \$ 999 FOR 18 02 pkg.

American Sliced Cheese

Sliced Daily lb Delicious, Nitrate Free Foster Farms, Oven Roasted

Turkey Breast

Fresh Sliced lb

Switzerland Swiss Cheese

\$ **99**

Foster Farms, Oven Roasted

Turkey Breast

\$269

Greek Style

Feta Cheese....

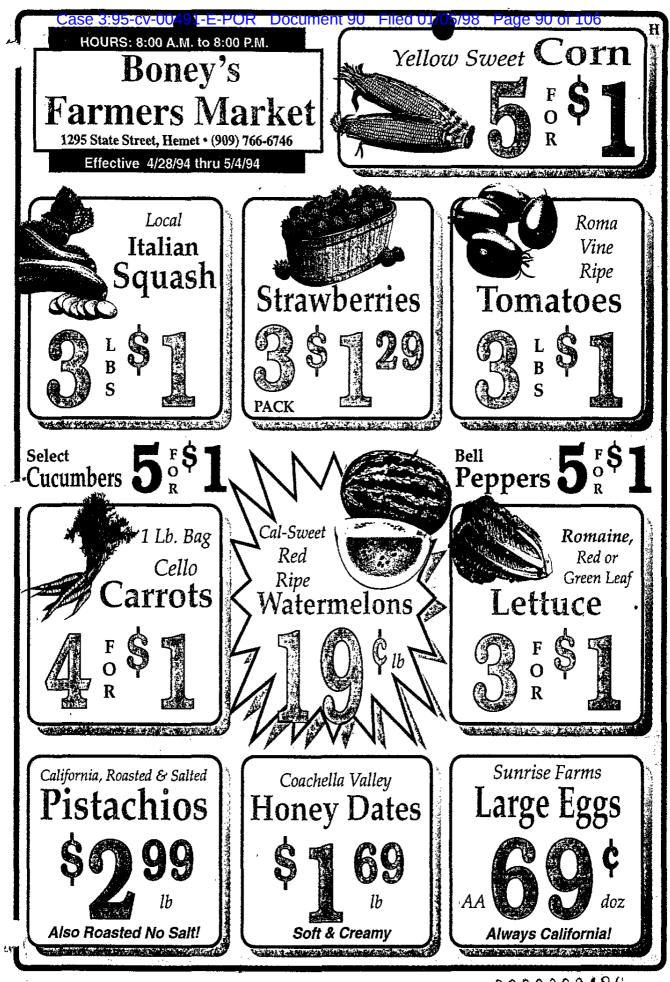
Foster Farms, Fresh
Ground Turkey...

\$199

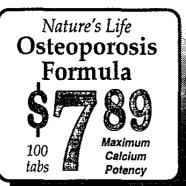
WARE COORDED STANKS

0000000493

EXHIBIT 34 PAGE 4











Schiff, Digestive Enzyme

Enzymall.....

\$**3.99**100 tabs

Schiff

Whole Food Multi Nutrient Pack.. \$15.6930 Packets

Now Foods

Pycnogenol \$24.95 Twin 60/60 caps

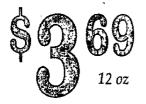
Boney's

Echinacea-Golden Seal......\$5.99^{100 caps}



More Great Vitamin Specials!

Boney's
Colon Hygiene







FREE SEMINAR MAY 6th

with

Priscilla Cordray

"Bone Health"

3 P.M. or 6 P.M.

Please Call Vitamins for Reservations



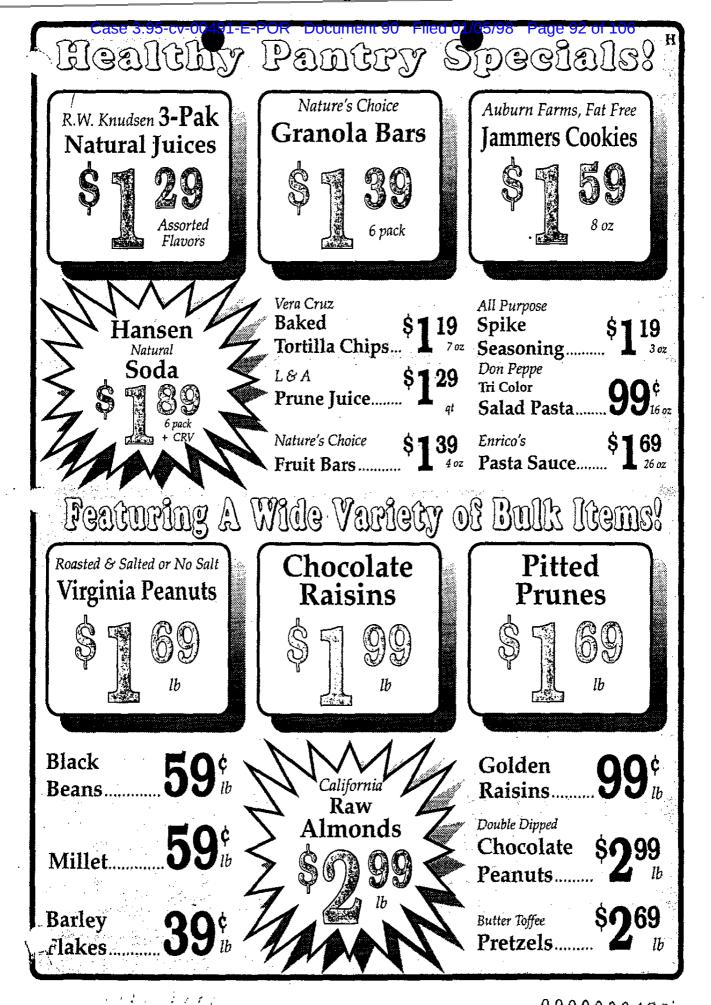
Earl Mindell, Ph. D

Herb Bible **Q99**

"The Top Ten Herbs"

0000000487

EXHIBIT 35 PAGE 2

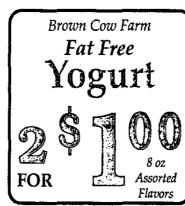


Boney's Farmers Market

Boney's Sugar Free Apple Bran **Muffins**

THE PROPERTY OF THE PROPERTY O



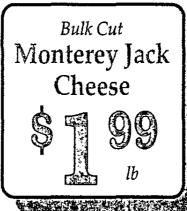












KAMUT AN ANCIENT WHEAT

Kamut is thought to have originated in the Nile Valley in Egypt. A large kernel, about two to three times the size of modern wheat, kamut contains higher levels of protein and slightly higher levels of lipids and minerals.

Wheats originated in the fertile crescent sometimes called the cradle of civilization which runs from the Valley of the Nile to the Tigris and Euphrates Rivers. Because this type of wheat produced more and larger kernels, by 4000 BC it had become the chief cereal of the Near East. Using the kamut grain, we bake a wholesome, all natural bread.



Delicious, Sliced Turkey Bologna.. 89th Mitchell's, 16 oz. pkg. Ready to Serve, Sliced \$ 99 7 Bean & Barley

Turkey Breast... Lea ea

Pecorino \$999 Romano.. Arrowhead Mills

Soup Mix.....



0000000549

EXHIBIT 36 PAGE 1

BAKERY & DELL SAVINGS

BONEYS

French Bread Fresh Baked Daily!

Bulk

Mild Cheddar



Sliced **Swiss** Cheese

Swiss Milk

Swiss Milk

All Gallons

All 1/2 Gallons

Homogenized, Lowfat and Nonfat

Swiss Dairy Sour

Cream

S.PEGIALS!

Imported Monte Regale

Pasta

Lb.

Albert's

Strawberry & **Raspberry Spreads**

No Sugar

10 Oz.

Italia **Pitted**

Ripe Olives

Garden Valley, Organic Fat Free

BONDS Oat Bran

Flakes.

15 Oz.

5.75 Oz.

Pasta Sauce.

Rice Pudding

TENDRERG

Mixes...

Organic 🕛

Pear Juice

Quart

Popcorn

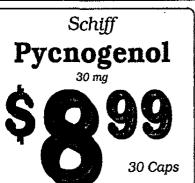
L & ACranberry : Delight....

Cereal Bars.



SUGGESTED RETAIL

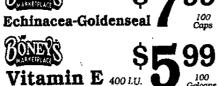








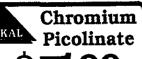












90 Liquid Gems

Quintessence Garlic .

NATROL

My Favorite Multiple

Green Foods Vibrant Health

Chlorophyll is the unique substance in plants that gives them their green color and allows them to make their own food. Many Americans don't get enough greens in their diet. The current recommendation of the USDA is that we all get at least 3-5 servings of vegetables per day. Supplements containing green concentrates may be a way to add nutrients many of us lack in our diets.

Alfalfa and barley are two cereal grasses rich in nutritional value. Alfalfa is one of our oldest food crops. The roots reach drep into the earth (10-30 feet) to extract __trients from the soil.

In 10 grams of alfalfa you will find:

- 80,000 I.U. Beta carotene
- 200,000 I.U. vitamin K
- · Significant quantities of vitamins D and E

Dried barley grass contains:

- 4 times more vitamin B₁ than wholewheat flour
- 3 times more vitamin C than spinach
- 5 times more iron than liver

Blue-green algaes are single-celled organisms that contain chlorophyll and have the ability to make their own food. Chlorella and spirulina are two blue-green algaes that are used as foods. Chlorella and spirulina have different nutritional components but they both contain:

- · 20 times the chlorophyll of alfalfa
- 2 times the protein of soy

All these green foods contain large quantities of easily assimilable organic mineral salts, including calcium and magnesium. For summer health and vitality these concentrated green foods are a great choice for the active person committed to vibrant health!

Attention: These articles are presented as general information only. They are not in any way a prescription for any specific person or condition. Because persons and circumstances vary, self-treatment can be dangerous. Consult a qualified health practitioner for advice pertaining to any particular person or case.



ESCONDIDO, 510 W. 13th 745-2141

Saita Cruz Organic \$

Unfiltered







Fresh, Value Pack

Chicken Drumsticks

796

Nice & Tender, U.S.D.A. Choice

Boneless

Chuck Roast

\$ 1 89

Mitchell's, Lean Fresh Sliced

Black Forest

Ham

\$299

tina in sa di in di ancienti di mana d

Boney's Bulk SAVINGS!!

Buy as little or as much as you want. We feature over 250 bulk items. Shopping the bulk bins is the **PERFECT** way to get the exact goods you need while at the same time getting so much more!

Dried

Honey Papaya & Honey Pineapple

\$ 1 69

10 Bean 99¢ b.

Raw, Hulled Sunflower Seeds. 99%.

California, Shelled

Walnuts \$99

Thompson, Seedless

Pitted \$ 1 99 bb. \$ 1 89

Party Snack Mix

California, Roasted & Salted

Pistachios \$279

BONEY'S COUPON

20% off

ANY BULK
CANDY PURCHASE
Chocolate, Yogurt, Carob.

Gummis, Jelly Beans, Etc.

Limit 10 LBS Per Customer • Boney's Escondido Only • Offer Expires 5/25/95







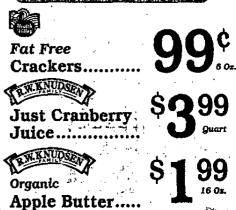














SMTa Cruz Organic
APPLE SAUCES
\$ 1 69
24 02.





Buy as little or as much as you want. We feature over 250 bulk items. Shopping the bulk bins is the PERFECT way to get the exact goods you need while at the same time getting so much more!

Raw Spanish Peanuts.

Black Mission Figs.....

Date Nut Rolls.....

Honey Dates..

Shelled, California

Halves &

Cashew Pieces..

Old Fashioned

Coachella Valley, Large MEDJOOL

10 Bean Soup Mix.

PEANUTS

California

Shelled, Roasted & Salted Mixed Nuts...

Shelled Filberts.

Shelled S**Q** 69 Brazil Nuts....

> California Roasted & Salted

Oat Bran.....

BROWN RICE

LUNDBERG

Long & Short Grain

Hormone Free

Pieces



Hormone

Free :

The Perfect Pot Roast, Full of Flavor

CROSS RIB/ SHOUIDER CLOD



Fresh Made, Lean & Healthy

TURKEY



Sweet or Hot



lb.

Star B Ranch Lean & Healthy, All Natural

Farm Raised American Bison

Ground 16 Oz. Chub

Ground Patties 16 Oz, Pkg.

each

This year for the holidays we will feature Foster Farms and Shelton Turkeys, along with a complete variety of holiday items such as Geese, Game Hens, Duck, Rib Roast, and Pork Roast.

Call your order in by December 22nd for Christmas and by December 29th for New Year's • Call 760-745-2141

SUPE

hy reading

Dr. Bobb's Book Review

The search for nutritional knowledge is a neverending challenge. What we believe to be true today regarding a specific topic in nutrition may be proven to be false tomorrow. New books are published and new theories are proposed almost daily in this everexpanding and progressing field of study. As a professional in the field of nutrition and healthcare I have to constantly research to stay on top of all the new products that come on the market. For consumers, this task is almost impossible. Consumers have to rely on what they have been told or what they have read in a book. So, the logical question is "what books can I read that are easy to understand and contain reliable information?" There are several new books on the market that I highly recommend that are written in easy to understand language, contain reliable information and are affordably priced.

"Prescription for Nutritional Healing; A-to-Z Guide to Supplements."

Written by James F. Balch, M.D. and Phyllis A. Balch, C.N.C.

Suggested retail: \$6.95 Boney's Sale price: \$4.99

This book is not intended to be a professional's reference guide to supplements but rather an easy to understand consumer's guide to currently available supplements and herbs. The book accomplishes this goal quite adequately. I highly recommend this very affordable pocket reference for consumers. The Balch's have followed their highly successful, million-copy bestseller "Prescription for Nutritional Healing" with another winner.

"What Your Doctor May Not Tell You About Menopause."

Written By John Lee, M.D.

Suggested retail: \$12.99 Boney's sale price: \$9.99

This is an excellent new book on alternatives to estrogen therapy for menopause. It covers natural progesterone, wild yam and other herbal alternatives.

"Herbai Defense"

Written by Robyn Landis with Karta Purkh Singh Khalsa Retail: \$14.99

Rarely do I get excited about a new herb book because I have read so many in my career but this is one of the best books on herbs for immunity and general health to come along in quite a while. I am really impressed with this book.

"The Nutrition Almanac Fourth Edition"

Written by Gayla Kirschman and John D. Kirschman. Suggested retail: \$16.95 Boney's sale price: \$12.99

The second edition of this book published in 1973 was the first book I ever read on nutrition and nutritional supplements. I still have the dirt-brown dog-eared second edition in my library. If you are looking for a concise, thoroughly researched nutritional reference book, the fourth edition of "The Nutritional Almanac" is the one for you

HOMEOPATHY TODAY

with Sue Bennett

Thursday, Dec. 11 • 6:00 p.m.

"Door Prizes"







NOW Joint Support.

Solutifi 460 mg. Echinacea.

Schiff, "1200" Super Calcium.

Enzymatic Therapy Garlinase 4000 mcg







EXHIBIT 37 PAGE 4

Case 3:95-cv-00/91-E-POR Document 90 Filed 01/05/98 Page 105 of 106

ACCOUNTING 300 South Pierce, Suite 201 El Cajon, CA 92020 619/588-2411

November 8, 1989

Mr. Steve Boney 1105 Alameda Blvd. Coronado, Ca. 92118

Dear Steve,

In response to your phone call last Tuesday night, I am writing this letter to clarify my position on distributing bread from the Hillcrest Store. As you indicated on the phone, I have agreed not to distribute any bread whose recipe you might "own". I agreed to that because you felt so strongly that those breads gave you an advantage over the other stores, and you felt that you purchased those recipes along with the Escondido store. I still plan to honor that agreement, because I appreciate you allowing my baker to train for a few weeks at Escondido, and that was our agreement.

As I have indicated to you on the numerous occasions we have discussed this matter, I feel that there is more "advantage" to all of us, including Escondido, to promote those breads chain wide. Furthermore, I was planning to get an agreement from the other Boney's stores that you owned all rights to those bread recipes and get your approval prior to any distribution of those breads. This agreement could be important in protecting your "recipes" because, as I have indicated to you before, I had the recipes offered to me from Norm and the assistant head baker at Greentree.

At this time, I plan to change any recipes that may create future problems with our "agreement". As you know Mike, the Hillcrest Baker, came from Gustaf Anders Bakery, and has numerous recipes that he has used in the past. He also has access to numerous other recipes that are available in the industry and may be suitable to our needs. I would prefer to use your "tried and true" recipes, but over time, I feel confident that we will be able to develop breads with good customer appeal.

PAGE 1

Steve Boney

Page 2 November 7, 1989

I would also like to remind you of our agreement for the use of the Boney's tradename. As you know, Boney's Services, Ltd. has the right to use of tradename, and we agreed that you could use the tradename outside of San Diego County. Because of the ongoing problems we have in getting along, and the operational problems you have had with your two new stores, which reflects negatively on the tradename in the industry, I feel that you should use a new tradename for any future stores. Hopefully, that will help minimize the risk of any potential new problems for the tradename, or between us.

Additionaly, effective the first week in January, I plan to implement the previously discussed Cooperative Advertising Agreement (copy enclosed) between all the San Diego stores. For a lasting relationship between all the stores, it is important that we have a written agreement that fairly and clearly sets forth the agreement between all of the stores.

I hope you find the above satisfactory, because neither of us needs any more problems at this time. And, as you indicated on the phone, the bakery is a "pennies problem", not worthy of creating problems between us.

> Sincerely, Boney's Services, Ltd.

Stanley A. Boney,

Partner

SAB/ss

cc: Scott Boney

Enclosure